

20 September 1948.

Mr. E. F. Willett
Assistant to Mr. Eberstadt
Commission on Organization of the
Executive Branch of the Government
1626 K Street N. W.
Washington 25, D. C.

Dear Mr. Willett:

Many thanks for letting me look over your notes of my recent discussion with your committee. I have taken the liberty of making two minor corrections, one I believe being merely a typographical error. I do particularly request that you eliminate the sentence indicated on page 8 of the notes as we never make mention of actual sums--for obvious reasons.

Again, my thanks for showing me the record. It has been a pleasure to be associated with all of you in the conduct of this survey.

Sincerely,

E. K. WRIGHT
Brigadier General, USA
Acting Director of Central Intelligence

Enclosure

DD only.

COMMISSION ON ORGANIZATION
OF THE
EXECUTIVE BRANCH OF THE GOVERNMENT

1626 K STREET NW.
WASHINGTON 25, D. C.

September 17, 1948

Brigadier General Edwin Wright
Central Intelligence Agency
2430 E Street, N. W.
Washington, D. C.

Dear General Wright:

At the request of Mr. Eberstadt, I am enclosing two copies of a rough draft of my notes on your discussion with the Committee on the National Security Organization of the Commission on Organization of the Executive Branch of the Government held here last week. These notes are for the confidential use of the Committee, and are not to be publicly used in any way.

Will you kindly return to me one of the enclosed copies, noting thereon any changes that you may wish made.

Very truly yours,

E. F. Willett

E. F. Willett
Assistant to Mr. Eberstadt

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REMARKS:

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COMMISSION ON ORGANIZATION
OF THE
EXECUTIVE BRANCH OF THE GOVERNMENT

COMMITTEE ON NATIONAL SECURITY ORGANIZATION

MORNING MEETING OF SEPTEMBER 9, 1948

3. (10:00 A.M.) Brig. General Edwin Wright - Deputy Director
Central Intelligence Agency

General Wright stressed the fact that his remarks before the Committee were made in the strictest confidence and that he assumed that nothing that was said would be mentioned outside the Committee room. Mr. Eberstadt assured General Wright that his wishes would be complied with and that he could speak with complete frankness and confidence.

General Wright discussed in detail the organization, functions, and operations of the Office of Special Operations of CIA which deals with all of the organized espionage and counterespionage activities of this country, outside the United States and its possessions. Because of the nature of its activities OSO has a considerable degree of autonomy.

General Wright stated that the work of OSO receives entirely too much publicity, most of it bad. Publicity in connection with the activities of CIA creates the impression that most of the information obtained by it is collected clandestinely. This is not so; at least 75% comes from overt sources which are generally available, about 15% is collected by clandestine or semi-clandestine means, about 5% exists only in the minds of the top men in the target countries, and an additional 5% defies collection. The quality and value of the 15% collected clandestinely averages higher than that of the intelligence collected overtly.

The job of OSO is being conducted under pressure and the activities of the organization were started many years after similar organizations were underway in other countries. The job confronted by it is one which cannot be accomplished

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overnight. The Office is making good progress but has by no means reached the peak of efficiency as yet; it might take at least five years to do so. For example, it takes fourteen to eighteen months before a man selected for service in OSO can ordinarily become productive. Investigation of the man's loyalty, habits, discretion, personal attributes, academic background, and various other factors, both personal and environmental, may take from four to six months. The period of training usually takes from six to ten months additional, depending upon the nature of the activities to be undertaken. From two to three months are required for preparing the covering arrangements under which he will operate. A few months additional are required to get the man established and to open up his communications.

General Wright stated that at the close of the war OSS was ostensibly liquidated in principle and on paper, one of the purposes of the liquidation being to eliminate from its field of operations the services of any persons who were deemed not well qualified to continue such activities. The ostensible liquidation however was by no means complete in fact and many capable persons were retained to serve as a nucleus for the continued operations of the functions previously conducted by OSS. At the close of the war the services of many persons whom it would have been desirable to retain were lost because of their return to their private positions and professions.

General Wright illustrated the high quality of the personnel occupying the important positions of Station Chiefs by describing

The personnel is definitely not of the typical spy or police type and is of all-round very high caliber.

So far as its success to date is concerned, General Wright stated that the nation has every reason to be proud of its young clandestine intelligence system.

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A passion for anonymity is essential. It is impossible for OSO to refute public attacks on it and public stress on its failures, or to point to its successes. It must bow to criticism since answers to criticism or stress upon its successes would involve a large amount of danger to the lives of American citizens and citizens of foreign nations and would jeopardize the future success of its activities. Our successes clearly exceed our failures although the latter receive all of the attention. There must always be some failures connected with activities such as those conducted by OSO.

To illustrate the accomplishments of OSO, General Wright read a number of letters from the Army, foreign governments, the Navy, miscellaneous government agencies, and our own ambassadors, consuls and attaches, indicating appreciation of the services rendered them by OSO. OSO serves all of the departments and agencies of the government, not merely CIA.

In the conduct of its operations during the past three years OSO has been guided by the operations, successes and failures of similar foreign organizations. We have advanced rapidly in the field covered by OSO. In the opinion of General Wright we now have an espionage and counter-espionage system surpassed by no country in the ^{world} ~~war~~, (except Russia) even though our system is far from perfect. General Wright pointed out that the freedom ^{with} which Russians, particularly on diplomatic missions, enter the United States and the restrictions governing the entrance of United States citizens into Russia clearly simplify Russia's espionage problems as compared with our own. General Wright feels that the personnel of OSO as a group is much more experienced in the field of clandestine operations than is any other group of Americans and that there is no other group which could conduct its activities so successfully. He feels it essential that the clandestine collection of intelligence be centralized.

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In the conduct of the operations of OSO a high degree of collaboration with the FBI is called for and it exists in fact. OSO is not engaged in the field of domestic Communist activities; this is a function of the FBI. General Wright summarized his remarks by stating that the nation has due cause to be proud of its clandestine intelligence system, that more time is needed for its full fruition, that a maximum freedom from publicity is desirable, that the screening of its personnel is extremely thorough, that there will always be failures from time to time, and that successes cannot be publicized in the way that failures unfortunately are.

In response to a question from Dr. Middlebush, General Wright described the sequence of events that would take place in the operations of OSO in a hypothetical case. If the Navy wants knowledge concerning a particular area, it makes a broad request which comes to the Office of Collection and Dissemination in CIA. That Office determines whether the information is already available here. If it is not available, the request is surveyed to see whether the information can be obtained by overt methods. If so, the request is turned over to whoever can best get the overt information. If the information is not forthcoming by overt methods, the request is given to OSO for investigation.

In response to questions from Mr. Baldwin, General Wright stated that as an assistance to it in the conduct of its operations CIA has knowledge of most of the plans of the various government agencies and departments with the exception of top military and diplomatic plans. He regards this situation as desirable although in specific cases CIA may need further information if it is to do its job successfully. CIA feels that it either knows enough, or is able to get enough, to enable it to carry out its work efficiently and effectively. The security problem is an extremely important one, particularly where top military or diplomatic plans are concerned. In response to further questions from Mr.

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Baldwin, General Wright stated that in time of war much of what is done by CIA should probably be turned over to the military departments. He does not regard it as necessary or desirable for the Director of CIA to sit with JCS in time of peace. He regards the organizational framework of our present intelligence system as sound. Changes are being made all the time in the direction of economy and efficiency, although a good deal more time will be needed to perfect the system. The same is true of the intelligence systems of the military departments and other government agencies. The coordination of CIA, Army, Navy, and the State Department on intelligence is good today. A special bill was introduced in Congress which would permit CIA to do certain things by statute which it is now doing in practice. Such matters relate primarily to questions of personnel, administration, and the handling of funds. General Wright hopes that the bill will pass at the next session of Congress and he knows of no important opposition to it.

In response to questions from Dr. Allen, General Wright indicated his belief that CIA should be under ESC rather than under the President. Relationships of CIA with the services are important and, so far as the people in key positions are concerned, are good. There have been difficulties in some cases at the lower working levels largely because of lack of knowledge on the part of those involved of their relative spheres of interest and jurisdiction, and also because of a certain amount of ^{natural} jealousy. General Wright does not feel overall working of our intelligence system is handicapped by this minor friction.

In response to further questions from Dr. Allen, General Wright indicated that in the United States the FBI has the chief responsibility for counter-espionage although the military services are concerned with counter-espionage in their particular spheres of activity. CIA interrogates certain

aliens who come to this country but only after clearance with the FBI; there has always been full cooperation on this matter. In the case of other government

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departments and agencies CIA has tried to do as much as possible through cooperation since it is a new agency and wishes to avoid arousing jealousies. The Director of CIA is responsible for long range planning of intelligence activities. This planning is handled by the Intelligence Advisory Committee and is one of its most important functions.

In response to questions from Mr. Eberstadt, General Wright indicated that the Intelligence Advisory Committee is a strong, aggressive group which meets frequently and that any statement that it meets rarely would seem to be in error. (It was indicated in subsequent testimony by other witnesses that formal meetings of IAC are not frequent but that its members meet and consult with one another almost daily on matters of importance. Failure to make a sharp distinction between formal and informal meetings of the members seems to be responsible for some confusion on the question of the frequency of meetings.)

In response to a question from Mr. Baldwin, General Wright stated that CIA has responsibility for interrogating foreigners coming here in cases where intelligence information may be forthcoming.

In response to questions from Mr. McCloy, General Wright stated that the activities of CIA do not yet have the coverage which they are ultimately expected to have, although the present coverage is much wider than generally known. The chief limitation is the difficulty of getting the proper people to do the jobs that have to be done. In this respect the chief limitation is one of time, not money. CIA has all the money that it can use effectively.

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In response to questions from Mr. Ward, General Wright stated that the Head of CIA should be the man best qualified for the job regardless of whether he is in uniform or not. There should be continuity in the administration of CIA

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however rather than rotation. With the world situation as it is today,

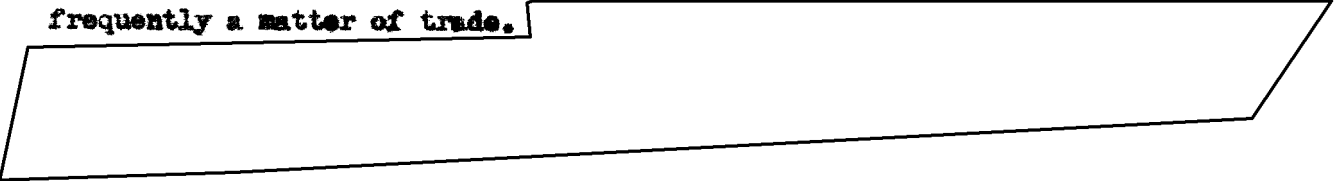
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General Wright sees certain advantages in having a military man at the head of CIA since such a man has closer ties with the needs of the military services. ~~A military services,~~ A military head would also be less susceptible to political influence. The head of CIA does not have to be an intelligence expert, "whatever that is," but must be an organizer and an executive and have the necessary contacts. The dispersion of the operations of CIA in Washington is desirable.

In response to questions from Mr. Cowles, General Wright stated that SANACC decides, from the standpoint of general policy, what intelligence information should be given to friendly foreign powers. In particular practical instances CIA frequently decides what information should thus be made available and it is frequently a matter of trade.



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